



**PAKISTAN  
INSURANCE  
CORPORATION**

**27<sup>th</sup> Annual Report & Accounts**

**FOR THE YEAR ENDED 31st DECEMBER, 1979**

ESTABLISHED UNDER THE PAKISTAN INSURANCE  
CORPORATION ACT NO. XXXVIII OF 1952.





# PAKISTAN INSURANCE CORPORATION

## BOARD OF DIRECTORS

M. YAKUB	<i>Chairman</i>
S. S. A. BUKHARI	<i>Director</i>
MIAN MUMTAZ ABDULLAH	<i>Director</i>
NISAR-UN-NABI	<i>Director</i>
M. W. FAROOQUI	<i>Director</i>
KHAN AMIR ABDULLAH KHAN	<i>Director</i>
I. H. QARNI	<i>Director</i>

## AUDITORS :

RAO & CO.  
EBRAHIM & CO.

## HEAD OFFICE :

Pakistan Insurance Building,  
M. A. Jinnah Road,  
P.O. Box No. 4777, City,  
Karachi-2 (Pakistan).



# PAKISTAN INSURANCE CORPORATION

## NOTIFICATION

The Twenty Seventh Annual General Meeting of the Shareholders of Pakistan Insurance Corporation will be held at Pakistan Insurance Building, M.A. Jinnah Road, (opp. Mereweather Tower), Karachi-2 on Monday the 30th June, 1980 at 11-00 A.M. to transact the following business namely :—

- (1) Confirmation of the Minutes of the 26th Annual General Meeting held on Saturday, the 30th June, 1979.
- (2) The Balance Sheet as at 31st December, 1979, the Revenue Accounts and the Profit & Loss and the Profit and Loss Appropriation Accounts for the year ended 31st December, 1979 together with the report by the Board on the Working of the Corporation during the year and the Auditors' Report on the said Balance Sheet and Accounts will be read and considered.
- (3) The Chairman will announce the Dividend declared by the Board in respect of the 1979 Accounts.

The Share Transfer Registers of the Corporation will remain closed for 8 days with effect from the 23rd June 1980 to 30th June 1980 (both days inclusive).

By order of the Board  
(SYED ZIAUDDIN AHMED)  
*Chief Manager*  
Accounts



# PAKISTAN INSURANCE CORPORATION

KARACHI

## *Report of the Board of Directors on the Working of the Corporation during the year ended 31st December, 1979.*

The Shareholders,  
Pakistan Insurance Corporation.

Gentlemen,

Your directors take pleasure in presenting herewith their 27th Annual Report and the Accounts of the Corporation for the year 1979.

There has been a substantial increase in the volume of Premium Income and the business in the aggregate has continued to develop satisfactorily. The gross premium of the Corporation increased by 15% from Rs. 579 Million in 1978 to Rs. 667 million this year. The net Premium has also shown marked improvement by around 19% i.e. from Rs. 264 million in 1978 to Rs. 314 million in 1979.

### **Revenue Accounts:**

(In million of Rupees)

	Fire		Marine		Misc.		Total	
	1978	1979	1978	1979	1978	1979	1978	1979
Gross Premium	153	162	252	327	174	178	579	667
Retrocession	98	92	115	152	102	109	315	353
Net Premium	55	70	137	175	72	69	264	314
Net Commission	29	30	47	57	19	19	95	106
Net Claims	20	28	85	101	35	42	140	171
Premium Reserve Adj.	2	6	—	15	9	(1)	11	20
Management Expenses	2	2	4	4	2	2	8	8
Underwriting Profit	2	4	1	(2)	7	7	10	9

The net commission as a percentage of net premium has decreased to 33.9% in 1979 from 35.9% in 1978. Net claims paid during 1979 in terms of percentage of net premium, slightly increased from 53.5% in 1978 to 54.4% in 1979. Management expenses have recorded a decrease from 3.1% in 1978 to 2.5% this year. The net underwriting profit has slightly decreased



**Investments :**

There was a marginal decrease in investment made by the Corporation during 1979 as shown below :—

	<i>(In Million of Rupees)</i>	
	1978	1979
Government and other Securities	4.538	4.507
G.T.D.R.	164.702	159.516
F.D.R.	43.813	36.013
Stock and Shares	30.976	37.882
Debentures	7.436	12.055
Total ...	<u>251.465</u>	<u>249.973</u>

These investments do not include investment left over in the former East Pakistan which amount to Rs. 16.473 Million.

With the decrease in investments, the investment income for the year marginally decreased from Rs. 25.199 Million in 1978 to Rs. 24.279 Million in 1979.

**Profit and Loss Account :**

The Profit and Loss Account shows a net profit of Rs. 6.975 Million arrived at as follows:—

	<i>(In Million of Rupees)</i>	
Underwriting Profit		8.903
Investment Income		24.279
Miscellaneous Receipt :		
(a) Interest earned on deposits retained by other Companies	2.268	
(b) Other Misc. Income	<u>0.993</u>	3.261
Miscellaneous Expenses		
(a) Interest paid on deposits retained from other Companies.	0.821	
(b) Other Misc. Expenses	1.045	
(c) Loss on sale of fixed assets	0.002	
(d) Provision for Taxation	<u>27.600</u>	29.468
Net Profit.		<u>6.975</u>



### **Allocation of Profit :**

Including a sum of Rs. 0.128 million brought forward from last year, the aggregate amount of Rs. 7.103 Million is proposed to be appropriated as under :—

	(In Million of Rupees)
(a) Exceptional Loss Reserve	Rs. 6.000
(b) Proposed Dividend	Rs. 0.800
(c) Balance to be carried forward to next year	Rs. 0.303
	<hr/> Rs. 7.103 <hr/>

### **Balance Sheet :**

There has been an overall improvement of Rs. 84.800 Million (or 22%) in the Reserves/Provisions of the Corporation which have increased from Rs. 390.000 Million at the end of 1978 to Rs. 474.800 Million at the close of 1979. Details of these Reserves/Provisions are shown below:

	(In Million of Rupees)
<b>Financial Reserves/Provisions :</b>	
Exceptional Loss Reserve	141.500
Exchange Fluctuation Reserve	1.500
Investment Fluctuation Reserve	0.400
General Reserve	5.000
Provision for Taxation	33.300
Provision for Bad and Doubtful Debts	0.300
Provision for Gratuity	1.900
Provision for Issue of Bonus Shares	3.000
	<hr/> 186.900
<b>Technical Reserves/Provisions :</b>	
Premium Reserve	128.600
Provision for Outstanding Claims	159.300
	<hr/> 287.900
<b>Total Reserves/Provisions.</b>	<hr/> 474.800 <hr/>

### **Acknowledgement :**

Since the last report, there have been many changes in the composition of the Board of Directors of the Corporation. M/s. S.S.A. Bukhari, Mian Mumtaz Abdullah, I.A. Hanafi and later Mr. I.A. Qarni joined the Board as nominees of the Federal Government in place of M/s. K.N. Cheema, Ahadullah Akmal, M.W. Farooqui and later Mr. I.A. Hanafi respectively. Mr. Amir Abdullah Khan has joined in place of Mr. Mazhar Ali Khan as the elected Director for the Lahore Register. Mr. Nisar-un-Nabi has joined in place of Mr. D.M. Qureshi as the elected Director for the Karachi Register.



The Directors wish to express their appreciation of the valuable services rendered by the out going Directors and welcome the new Directors who bring with them rich and varied experience.

The Directors take this opportunity to express their appreciation of the good work done by the Management, Officers and Staff of the Corporation which is reflected in the steady growth in business and improvement in the Reserves of the Corporation. The Directors also owe their gratitude to the Government of Pakistan, the Insurance Association of Pakistan, all insurers in Pakistan, the underwriters and the reinsurance brokers for the co-operation extended by them during the year under review.

The Directors are pleased to declare a dividend of 10% for the year 1979.



# PAKISTAN INSURANCE CORPORATION

## 27 YEARS AT A GLANCE

(In Million of Rupees)

Year			Gross Premium Income	Profit	Dividend declared %	Total Reserves/ Provisions	Total Investment
1953	...	...	1.638	0.013	...	0.795	1.046
1954	...	...	4.492	0.106	4	3.202	3.514
1955	...	...	5.674	0.510	4	3.462	4.510
1956	...	...	8.045	0.575	5	4.844	5.099
1957	...	...	9.461	0.634	6-1/2	6.424	6.030
1958	...	...	20.734	1.069	10	8.704	8.993
1959	...	...	25.012	1.592	10	9.995	10.455
1960	...	...	33.110	1.694	10	11.258	11.381
1961	...	...	37.663	1.509	10	13.624	12.299
1962	...	...	47.889	1.561	10	17.032	14.902
1963	...	...	57.165	1.648	10	21.069	20.306
1964	...	...	67.400	2.017	10	25.901	25.789
1965	...	...	72.298	2.334	10	35.547	31.040
1966	...	...	93.806	2.308	10	39.501	35.407
1967	...	...	108.431	3.621	10	49.117	38.709
1968	...	...	131.942	7.397	10	63.364	42.256
1969	...	...	156.291	6.728	10	77.448	47.762
1970	...	...	155.445	8.752	10	91.108	51.242
1971	...	...	166.767	7.079	10	107.060	52.084
1972	...	...	215.202	6.287	10	116.223	35.986
1973	...	...	238.288	10.924	7-1/2	127.400	37.075
1974	...	...	319.887	16.022	7-1/2	174.027	47.584
1975	...	...	399.717	19.865	10	207.712	92.798
1976	...	...	462.368	26.518	10	262.956	138.739
1977	...	...	554.482	18.069	10	330.725	212.265
1978	...	...	578.556	33.550	3:5B 10	390.044	251.465
1979	...	...	666.478	6.975	10%	474.789	249.973



# PAKISTAN INSURANCE CORPORATION

K A R A C H I

## AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the annexed Balance Sheet of the PAKISTAN INSURANCE CORPORATION as at 31st December, 1979 and the Fire, Marine and Miscellaneous Insurance Revenue Accounts, the Profit and Loss Account and Profit and Loss Appropriation Account of the Corporation for the year ended on that date and we report that :

- (a) We have obtained all the information and explanations which we have required;
- (b) Subject to the contents of Notes 1, 2 and 4, such Balance Sheet, together with notes thereon, exhibits a true and correct view of the state of the Corporation's affairs according to the best of our information and explanations given to us and as shown by the books of the Corporation.

EBRAHIM & COMPANY  
*Chartered Accountants*

RAO & COMPANY  
*Chartered Accountants*

*Karachi, 4th, June 1980.*



# PAKISTAN INSURANCE

## REVENUE ACCOUNT FOR THE CONSOLIDATED FOR ALL

1978 Rupees	PARTICULARS	1979 Rupees
94,722,149	Commission paid (Less Retrocessions)	106,358,462
128,034,048	Claims (Less Retrocessions) paid during the year.	139,976,464
128,587,967	Add: Total estimated liability in respect of out- standing claims at the end of the year whether due or intimated.	159,257,224
256,622,015		299,233,688
115,641,870	Less: Outstanding at the end of previous year	128,587,967
140,980,145		170,645,721
8,286,379	Expenses of Management	7,867,277
108,532,795	Premium Reserve for the year	128,608,615
9,222,243	Profit transferred to Profit & Loss Account	8,903,269
361,743,711		422,383,344

*Auditors' report to the shareholders is annexed*

EBRAHIM & CO.  
Chartered Accountants

Karachi, 4th June, 1980

RAO & CO.  
Chartered Accountants



**CORPORATION**

**YEAR ENDED 31ST DECEMBER, 1979**

## CLASSES OF BUSINESS

1978 Rupees	PARTICULARS	1979 Rupees
98,082,712	Premium Reserve brought forward from last year	108,532,795
578,555,596	Premium	666,477,778
314,894,597	Less: Retrocessions	352,627,229
263,660,999		313,850,549
361,743,711		422,383,344

S. S. A. BUKHARI

*Director*

KHAN AMIR ABDULLAH KHAN

*Director*



# PAKISTAN INSURANCE

## REVENUE ACCOUNT FOR THE FIRE

1978 Rupees	PARTICULARS	1979 Rupees
28,738,110	Commission paid (Less Retrocessions)	30,901,615
25,040,105	Claims (Less Retrocessions) paid during the year	22,181,574
18,659,135	Add: Total estimated liability in respect of out- standing claims at the end of the year whether due or intimated	24,184,866
43,699,240		46,366,440
23,285,316	Less: Outstanding at the end of previous year	18,659,135
20,413,924		27,707,305
2,182,840	Expenses of Management	1,769,185
23,095,220	Premium Reserve for the year	29,406,636
1,435,775	Profit transferred to Profit & Loss Account	3,888,856
75,865,869		93,673,597

*Auditors' report to the shareholders is annexed.*

EBRAHIM & CO.  
Chartered Accountants

Karachi, 4th June, 1980

RAO & CO.  
Chartered Accountants



**YEAR ENDED 31ST DECEMBER, 1979**

1978 Rupees	PARTICULARS	1979 Rupees
21,066,031	Premium Reserve brought forward from last year.	23,095,220
152,406,064	Premiums	162,097,956
976,06,226	Less: Retrocessions	91,519,579
54,799,838		70,578,377

75,865,869

93,673,597

S. S. A. BUKHARI

*Director*

KHAN AMIR ABDULLAH KHAN



# PAKISTAN INSURANCE

## REVENUE ACCOUNT FOR THE MARINE

1978 Rupees	PARTICULARS	1979 Rupees
47,489,258	Commission paid (Less Retrocessions)	56,526,471
69,108,695	Claims (Less Retrocessions) paid during the year	81,711,041
70,709,413	Add: Total estimated liability in respect of out- standing claims at the end of the year whether due or intimated	90,292,781
139,818,108		172,003,822
54,590,448	Less: Outstanding at the end of the previous year	70,709,413
85,227,660		101,294,409
3,614,125	Expenses of Management	4,380,261
56,091,742	Premium Reserve for the year	71,160,163
1,163,954	Profit transferred to Profit & Loss Account	
<u>193,586,739</u>		<u>233,361,304</u>

*Auditors' report to the shareholders is annexed.*

EBRAHIM & CO.  
Chartered Accountants

Karachi, 4th June, 1980

RAO & CO.  
Chartered Accountants



# CORPORATION

YEAR ENDED 31ST DECEMBER, 1979

## BUSINESS

1978 Rupees	PARTICULARS	1979 Rupees
56,515,313	Premium reserve brought forward from last year	56,091,742
252,338,453	Premium	326,870,322
115,267,027	Less: Retrocessions	152,127,843
137,071,426		174,742,479
—	Loss Transferred to Profit & Loss Account	2,527,083
<u>193,586,739</u>		<u>233,361,304</u>

S. S. A. BUKHARI

Director

KHAN AMIR ABDULLAH KHAN

Director



# PAKISTAN INSURANCE

## REVENUE ACCOUNT FOR THE MISCELLANEOUS

1978 Rupees	PARTICULARS	1979 Rupees
18,494,781	Commission paid (Less Retrocessions)	18,930,376
33,885,248	Claims (Less Retrocessions) paid during the year	36,083,849
39,219,419	Add: Total estimated liability in respect of out- standing claims at the end of the year whether due or intimated	44,779,577
73104,667		80,863,426
37,766,106	Less: Outstanding at the end of the previous year	39,219,419
35,338,561		41,644,007
2,489,414	Expenses of Management	1,717,831
29,345,833	Premium reserve for the year	28,041,816
6,622,514	Profit transferred to Profit and Loss Account.	7,541,496
<u>92,291,103</u>		<u>97,875,526</u>

*Auditors' report to the shareholders is annexed.*

EBRAHIM & CO.  
Chartered Accountants

Karachi, 4th June, 1980

RAO & CO.  
Chartered Accountants



**CORPORATION**

**YEAR ENDED 31ST DECEMBER, 1979**

**BUSINESS**

1978 Rupees	PARTICULARS	1979 Rupees
20,501,368	Premium reserve brought forward from last year	29,345,833
173,811,079	Premiums	177,509,500
102,021,344	Less: Retrocessions	108,979,807
71,789,735		68,529,693
92,291,103		97,875,526

S. S. A. BUKHARI

*Director*

KHAN AMIR ABDULLAH KHAN

*Director*



# PAKISTAN INSURANCE

## PROFIT AND LOSS ACCOUNT FOR THE

1978 Rupees	PARTICULARS	1979 Rupees
	Expenses of Management (Not allocable to any particular Revenue Account)	
6,810	Directors' Fee and T. A.	17,791
20,500	Auditors' Fee	20,500
14,962	Advertisement and Publicity	12,093
42,272		50,384
6,024	R. C. D. Expenses	179
—	Training & Research	2,450
65,000	Charity and Donation	23,000
—	Federation of Afro-Asian Insurers and Reinsurers	7,448
71,024		33,077
785,423	Interest paid on deposits retained from other companies	820,591
—	Difference in Exchange	961,963
84,733	Loss on sale of Fixed Assets	1,591
2,600,000	Provision for Taxation	27,600,000
33,549,507	Net Profit for the year carried to Profit & Loss Appropriation Account	6,975,314
37,132,959		36,442,920

## PROFIT AND LOSS APPROPRIATION ACCOUNT

30,000,000	Exceptional Loss Reserve	6,000,000
3,000,000	Provision for Issue of Bonus Shares	—
500,000	Proposed Dividend — 1979	800,000
128,115	Un-appropriated Profit transferred to Balance sheet	3,03,429
33,628,115		7,103,429

These accounts should be read in conjunction with the annexed notes.

**Auditors' report to the shareholders is annexed.**

EBRAHIM & CO.  
Chartered Accountants

Karachi, 4th, June, 1980

RAO & CO.  
Chartered Accountants



**YEAR ENDED 31ST DECEMBER, 1979**

FOR THE YEAR ENDED 31ST DECEMBER, 1979

*Director*



# PAKISTAN INSURANCE

## BALANCE SHEET AS AT

1978 Rupees	CAPITAL & LIABILITIES	1979 Rupees
10,000,000	<b>AUTHORISED CAPITAL :</b> 100,000 shares of Rs. 100 each	10,000,000
5,000,000 10,725	<b>ISSUED AND PAID-UP CAPITAL :</b> 50,000 shares of Rs. 100 each fully paid up. Shares premium account	5,000,000 10,725
5,010,725		5,010,725
135,500,000 1,500,000 450,000 5,000,000 5,700,000 250,000 1,523,675	<b>RESERVES AND PROVISIONS :</b> Exceptional Loss Reserve Exchange fluctuation reserve Investment fluctuation reserve General Reserve Provision for Taxation Reserve for bad & doubtful debts Provision for Gratuity	141,500,000 1,500,000 450,000 5,000,000 33,300,000 250,000 1,923,450
149,923,675		183,923,450
3,000,000 628,115	Proposed Dividend Provision for issue of Bonus Shares Unappropriated profit	800,000 3,000,000 303,429
18,659,135 70,709,413 39,219,419	<b>PROVISION FOR OUTSTANDING CLAIMS</b> Fire Marine Miscellaneous	24,184,866 90,292,781 44,779,577
128,587,967		159,257,224
23,095,220 56,091,742 29,345,833	<b>PREMIUM RESERVE</b> Fire Marine Miscellaneous	29,406,636 71,160,163 28,041,816
108,532,795		128,608,615
68,849,858	Amount due to other persons and bodies, carrying on insurance business.	41,225,495
47,354,815 3,450,057	Deposits retained and/or received from other companies. Sundry Creditors	48,820,241 3,136,457
515,338,007		574,085,636

These accounts should be read in conjunction with the annexed notes.

**Auditors' report to the Shareholders is annexed,**

EBRAHIM & CO.  
Chartered Accountants

Karachi, 4th June, 1980

RAO & CO.  
Chartered Accountants



# CORPORATION

31ST DECEMBER, 1979

1978 Rupees	PROPERTY & ASSETS	1979 Rupees
	<b>INVESTMENT (at cost)</b>	
4,538,233	Government and other securities	4,506,633
164,702,128	G. T. D. R.	159,516,117
43,813,100	F. D. R.	36,013,100
30,976,194	Stock and Shares	37,881,900
7,435,450	Debentures	12,055,150
251,465,105	Market value as at 31-12-1979 (Rs. 262,450,994)	249,972,900
1,924,685	<b>Land and Building at cost</b> (Less Depreciation)	1,573,445
	<b>CURRENT ASSETS :</b>	
6,053,014	Cash in hand and at bank	10,133,417
95,161,207	Amount due from Persons and bodies carrying on insurance business.	119,350,778
124,774,757	Deposits held by ceding companies	157,528,115
3,438,580	Sundry debtors	1,991,829
8,888,494	Interest accrued and outstanding	7,794,928
6,359,231	Advances/Loans, deposits & Prepaid Exp.	8,525,708
39,225	Stock of stationery in hand	53,904
244,714,508		305,378,679
	<b>ADMINISTRATIVE FIXED ASSETS</b>	
760,390	Furniture, Fixture, Office Equipment and vehicle— At cost (Less depreciation).	687,293
16,473,319	<b>Net Assets Relating to Former East Pakistan</b>	16,473,319
<u>515,338,007</u>		<u>574,085,636</u>

S. S. A. BUKHARI

Director

KHAN AMIR ABDULLAH KHAN

Director



# PAKISTAN INSURANCE CORPORATION

*Notes to the Accounts for the year ended 31st December, 1979*

## 1. PROVISION FOR OUTSTANDING CLAIMS

- (a) This includes an estimated sum of Rs. 12.600 million in respect of Marine Losses Incurred But Not Reported (IBNR).
- (b) The Provision for outstanding claims includes an amount of Rs. 4,951,749 representing claims brought forward from the previous years which relate to Bangladesh (former East Pakistan) business; this is made up as follows:

	1978 Rupees	1979 Rupees
Fire insurance	2,382,000	2,382,000
Marine insurance	1,469,794	1,469,794
Miscellaneous insurance	1,100,000	1,100,000
Total :	<u>4,951,794</u>	<u>4,951,794</u>

No adjustment has been made in this Provision pending ascertainment of actual liabilities in this regard.

## 2. ASSETS RELATING TO BANGLADESH (FORMER EAST PAKISTAN)

Assets relating to Bangladesh (former East Pakistan) comprise of fixed assets and investments:—

	1978 Rupees	1979 Rupees
East Pakistan Government Loans	499,700	499,700
Stock and shares	7,111,374	7,111,374
Debentures	250,000	250,000
Land and building	8,608,167	8,608,167
Furniture and fixtures	4,078	4,078
Total :	<u>16,473,319</u>	<u>16,373,319</u>



The realisability of these assets is not determinable at the present time but no provision for the loss that may arise as a result of the Corporation losing control over these assets has been made.

### 3. LAND AND BUILDING

	1978 Rupees	1979 Rupees
Land and building comprises of the following :		
PIC Head Office building	544,306	517,090
PIC building Plot, Moulvi Tamizuddin Khan Road Leasehold	760,197	760,197
PIC House-Moulvi Tamizuddin Khan Road	310,310	294,794
PIC Officers' Colony Plot-Leasehold	308,168	—
Lift	1,705	1,364
Total :	<u>1,924,686</u>	<u>1,573,445</u>

- (a) The Plot No. 32-A on Moulvi Tamizuddin Khan Road was acquired on 25 years' lease from the Karachi Port Trust for construction of Corporation's building thereon. On request from Karachi Port Trust, however, this plot has been lent to the Karachi Port Trust for serving as a working yard in connection with the construction of Napier Mole Bridge. Karachi Port Trust has agreed not to charge the rent and extension fee for the period that it is so used by Karachi Port Trust.
- (b) The plot for PIC Officers' Colony at Karachi was sold to Karachi Shipyard & Engineering Works Ltd. during the year at a net surplus of Rs. 533,713 which is included in "profit on sale of assets" shown in the Profit and Loss Account.

### 4. DEVALUATION/DIFFERENCE IN EXCHANGE ACCOUNT

- (a) There has been a net loss of Rs. 9,61,963 resulting from exchange fluctuations on remittances received and sent, adjustments of various foreign transactions and translation of currencies in respect of monthly cash balances.
- (b) The effect of bonus voucher scheme and devaluation on settlement with National Co-insurance Scheme in respect of business booked prior to 30th June, 1970 has not been incorporated. Such effect shall be reflected as and when realised by National Co-insurance Scheme and passed on to the Corporation.
- (c) All balances in foreign currencies representing amounts due to/due from other companies, deposits held by ceding companies and deposits retained/received from other companies have been reflected at the rates prevailing on the date of the booking. However, the unadjusted balances of cash losses received by PIC in 1974, and prior years and appearing in 1974 accounts at the rate prevailing as at 31st December 1974 are continuing at that rate. Cash losses received in the years subsequent to 1974 are appearing at the rates prevailing on the respective dates of receipt.



5. The practice of showing notional income and expenditure (Rs. 132,983) in respect of PIC Head Office Building, Karachi has been dis-continued w.e.f. 1979 Accounts, as per the directives of the Public Accounts Committee.

6. **GENERAL**

- (a) Expenses of Management have been allocated this year to the various Revenue Accounts on the basis of net premium income earned instead of previous practice of allocating them on gross premium basis. This deviation is made to conform to the general policy of reflecting results on net premium basis. The incidental result of this deviation is that net profit of fire and miscellaneous Revenue Accounts are shown more by Rs. 144,262 and Rs. 377,538 respectively while the net loss of Marine Account is also shown more by Rs. 521,799. The net profit of the Corporation however, remains unaffected.
  - (b) Consistent with the Policy of the Corporation since 1966, the Premium Reserve brought forward has been increased to the extent of 40 per cent of the increase in net premium income in respective Revenue Accounts.
  - (c) Figures for last year have been re-arranged for comparison purposes, where necessary.
7. The paid up capital of the Corporation stood at Rs. 5 Million on 31st December, 1979. The bonus shares of Rs. 3 Million declared out of the profits of the Corporation for the year 1978 and approved by the Board of Directors on 4-6-1979, were issued on 29-4-1980. The dividend @ 10% has been proposed on total increased capital of Rs. 8,000,000/-



# PAKISTAN INSURANCE CORPORATION

KARACHI

## PROXY FORM

I/we ..... of .....being  
a Shareholder of the Pakistan Insurance Corporation holding Shares Nos.....  
..... hereby appoint .....  
of.....or failing him .....  
of.....as my/our proxy to vote for me/us and on my/our behalf  
to a meeting of the shareholders of the Corporation to be held at.....  
on the .....day.....  
and at any adjournment thereof.

Dated this.....day of.....

*Signature of Shareholder*

Affix Forty  
Paisas Revenue  
Stamp

### IMPORTANT :

1. Signature must tally with the specimen filed with the Corporation.
2. No proxy shall be valid unless it is duly stamped and unless it is together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority is deposited at the Head Office of the Corporation not less than 4 clear days before the date fixed for the meeting.